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Private U.S. Groups Raise Funds

This article was reported by staff writers Lou Cannon, Don Oberdorfer and George Lardner Jr.

"Dozens of groups" of Americans are privately raising funds to aid the anti-Sandinista rebels in Nicaragua, but the Reagan administration has told U.S. embassies in Central America not to become involved as middlemen in the flow of funds, an administration official said yesterday.

Officials said it is impossible to estimate the amount of private aid flowing to the rebels, known as *contras*, who were supported by the CIA until Congress refused to allocate additional funds requested by the administration this year.

"We think they're getting enough support to keep going, but that's about it," one administration official said. "Whether the support is adequate or not remains to be seen."

The administration does not want official involvement in the private funding for fear of appearing to circumvent Congress, the official said.

Ever since the administration said congressionally approved CIA funding for the *contras* would run out in the spring, questions have been raised about where the rebels were obtaining aid to continue prosecuting the war against the Marxist government in Nicaragua.

Mario Calero, a leading spokesman in the United States for the Nicaraguan Democratic Force (FDN), largest of the rebel groups, said the *contras* had been raising \$1.5 million a month from private individuals and corporations in the United States and abroad and from friendly foreign governments—sufficient to carry the fight for "four to six [more] months."

He said in a telephone interview yesterday that contributors include "some well-known companies in the States, Latin America and Europe," but declined to be more specific.

Calero said he was confident that the funds did not represent laundered money that came from the CIA or another government agency. He said he did not rank enough in the FDN to be certain but was sure

for Contras

that "no one in the administration would do anything like that in view of the attitude taken by the U.S. Congress" against continued funding.

Calero denied reports that Israel is among the countries supplying aid. "If Israel is putting [captured] Soviet weapons on the market in Central America, I wouldn't be surprised if we had gotten some. But there is no direct connection between Israel and the FDN. I would love for there to be one."

In its effort to convince Congress to reverse and allow official U.S. support for the *contras*, the administration maintains that the danger to hemispheric stability is greater if the rebels get aid from private sources because it deprives the United States of control.

White House national security adviser Robert C. McFarlane made this point last week after a helicopter on a military mission was downed inside Nicaragua. Two of the three persons who were aboard and killed in the raid were American citizens, but McFarlane said they had no connection with the U.S. government.

U.S. officials made a similar point yesterday in response to a report in The New York Times that the rebels had raised more than \$10 million in the last six months from private sources in the United States and from foreign governments.

The story listed Israel, Argentina, Venezuela, Guatemala and Taiwan as governments that have supplied aid, but all have denied any involvement with the rebels.

Administration officials said that the *contras* have been receiving private assistance from U.S. sources for quite some time, even while the U.S. government was officially providing funding. More than a year ago, when President Reagan spoke to the Veterans of Foreign Wars in New Orleans, a

committee of the VFW told administration officials they were collecting foodstuffs, blankets and other "humanitarian" aid for the *contras*.

U.S. law prohibits private groups from selling weapons directly to the rebel forces. However, the providing of economic aid indirectly accomplishes the same purpose because it would allow the *contras* to buy weapons on the international market where they are plentiful.

Enforcement of the 1798 Neutrality Act, which bars citizens from aiding the overthrow of a foreign government with which the United States is not at war, has been sporadic. The act covers only actions within the United States, and it is not clear whether fund-raising for foreign revolutions constitutes a violation.

Sources say the FBI has been investigating whether the training of Nicaraguan rebels by former marine Tom Posey and his group, Civilian-Military Assistance, which sent the Americans killed in the helicopter incident, violated the act.

White House assistant press secretary Robert Sims said yesterday that the administration would prefer official action by Congress rather than aid by "free-lance, well-meaning private groups."

On the question of aid by foreign governments to the rebels, Sims said: "The president has directed that the United States not facilitate or encourage governments outside this hemisphere to assist in the Nicaraguan situation. He is, of course, opposed to the supplying of military aid to the Nicaraguan government by Cuba, the Soviet Union and other

Soviet-bloc countries and sees it as inconsistent to encourage other countries to involve themselves.

"The whole objective is to have a regional solution and get foreign forces out of Central America—including ours."

In January, Argentina's new democratically elected president, Raul Alfonsín, told the Reagan administration that he would halt his country's involvement in anti-leftist military activities in Central America.

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In early March, Argentina fulfilled an earlier obligation to ship \$2.5 million worth of arms to the contras. Sources in the Alfonsin government said the shipment was the last of the \$10 million worth of arms Argentina had sold to the contras over the past two years.

Israel issued a denial this spring of a report in The Washington Post that it was providing covert financial support to the contras at the unofficial urging of the CIA.

Last year Congress limited CIA expenditures for the rebels to \$24 million in 1984 and prohibited any other direct or indirect support when that money ran out.

However, the House Select Committee on Intelligence is suspicious of agency assurances that it has stayed within the spending limit, and it is investigating how the rebels have maintained operations.

Calero said in the telephone interview that the FDN has 12,000 people under arms, with 300 to 500 more joining each week.

Calero, whose brother, Adolfo, is head of the seven-member FDN directorate, played down the importance of a Miami-based organization, Human Development Foundation Inc., as a conduit for the rebel funds. He said it was his understanding that the group had not even supplied \$10,000 to date.

Edgar Chamorro, an FDN leader, said in an interview from Miami that most of the private organizations' donations were destined for refugee aid, not for combatants.

He also said that since an agreement was signed last month by the Honduras-based FDN and a Costa Rica-based group, ARDE, the two groups had been sharing funds.

Calero said the \$1.5 million a month is being shared by all of the rebel groups. "There is a saying in Spanish that all whips are cut from the same leather. We also have to feed lots and lots of refugees."